

<p align="center">2003-2004 ANNUAL REPORT</p>

CAPITAL IMPROVEMENT PROGRAM FUNDS (CONT'D.)

Interim City Facilities Improvements Fund

The Interim City Facilities Improvements Fund was established in 2003-2004 to account for interim improvements to City facilities, primarily the existing City Hall, that would be necessary to continue operating these facilities.

Interim City Facilities Improvements Fund

	Budget	Actual	Variance	Percent Variance
<i>Revenue</i>	\$ 1,600	\$ -	\$ (1,600)	(100.0%)
<i>Expenditure</i>	1,600	-	1,600	100.0%
<i>Fund Balance (est. *)</i>	- *	-	-	N/A

When the budget was developed for this Fund, it was assumed that \$1.6 million in commercial paper would be issued to fund improvements to existing City facilities that would remain in use after the relocation to the new City Hall. The use of these funds was originally outlined in an interim space plan that was brought forward to the City Council in January 2004. Because there have been major changes to the underlying assumptions in this space plan, the use of the funds will need to be modified. Included in this report is a recommendation to rebudget the funding into 2004-2005 to allow improvements to move forward once a space plan is finalized.